



**DELAWARE PREMIER PROPERTY MANAGEMENT**  
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This agreement is made the \_\_\_\_\_ day of \_\_\_\_\_ between Delaware Premier Property Management (herein called the "Agent") and \_\_\_\_\_ (herein called the "Owner").

**1. DESCRIPTION OF PREMISES**

The properties to be leased by Agent in this agreement are described as:

\_\_\_\_\_  
\_\_\_\_\_

**2. TERM OF AGREEMENT**

This agreement shall be for an indefinite term beginning on the \_\_\_\_\_ day of \_\_\_\_\_. Either party can terminate this agreement with 60 days written notice.

**3. MANAGEMENT FEES**

Owner will pay a management fee in the amount of 10 % of the monthly gross rent. Partial months will be prorated accordingly. When a unit is vacant no management fee is charged. If a Tenant does not pay rent, Owner will pay the monthly management fee. If agreed upon in writing, Management will continue services during a vacancy for an additional charge.

**4. APPOINTMENT OF AGENT**

The Owner hereby appoints Agent as the exclusive agent for the franchise owner to lease the property described in section one upon the terms and conditions provided herein. Agent accepts the appointment subject to the terms and conditions set forth in this agreement. If property is owned by a family, partnership, company, or corporation each owner of the property must sign the agreement. Multiple Owners must choose the "Principal Owner" which will be the sole contact the Agent will communicate with. Owner agrees not to try to co-manage the premises with the Agent unless mutually agreed to in writing. Owner would then be responsible for any losses of rents or legal action that was brought on by Owner's part in the management. Owner agrees to pay all expenses in connection with those services.

**5. FEES**

**a. INITIAL DEPOSIT**

Owner shall remit to the Agent a fee equal to one month's rent, if property is vacant. If property already has tenant in valid lease, this fee is reduced to one half month's rent.

**b. SECURITY DEPOSIT**

Agent shall collect and deposit tenant security deposits in a separate escrow account, and maintain such account according to the Delaware Landlord Tenant Code. Upon inception of this agreement, Owner shall remit to Agent the security deposit amount received from tenant if tenant is currently in lease. This amount shall be equal to the amount stated on the tenants lease. Security deposits shall be equivalent to one month's rent and must not exceed such. Any

interest obtained from this account will be retained by the Agent as compensation for administering these funds.

c. **NEW TENANT FEES**

Owner will pay a fee of one month's rent to lease the premises to a new tenant.

d. **LEASE RENEWAL FEES**

Owner will pay a fee of one half months rent to renew lease for an existing tenant.

e. **ADDITIONAL CHARGES**

Agent may collect from tenants any of the following charges: late fees, non sufficient fund fees, application fees, and credit report fees. Agent will not account to Owner for any of these fees. These fees are retained by the Agent for compensation of these services.

**6. DISBURSEMENTS FROM OPERATING ACCOUNT**

a. **OPERATING EXPENSES**

Agent is hereby authorized to reimburse itself for all costs and expenses of operating the premises and for any other sums due to the Agent under this Agreement, including Agent's compensation.

b. **DEBT SERVICE**

Owner shall give Agent written notice in advance, at least thirty (30) days if Owner wishes Agent to make any payments that are non-direct to the operation of the premises out of the proceeds from the premises. Such payments shall incur a fee of \$5.00 per transaction.

c. **NET PROCEEDS**

After all rents are collected and all bills, repairs, management fees, etc are deducted, Agent shall remit a check to the Owner as follows: Disbursements are to be on or before the 30<sup>th</sup> of each month for rents received before the 15<sup>th</sup> of the month. Rents that are received on or after the 15<sup>th</sup> of the month will be posted to the following disbursement check.

d. **FUND ADVANCEMENT**

In the event that the Owner's account is at any time insufficient to pay disbursements, Owner shall immediately upon notice, remit to Agent funds to cover the deficient account balance. Agent will not under any circumstances advance any funds to Owner for any reason.

**7. FINANCIAL REPORTS**

a. **DISBURSMENT REPORT**

By the last day of each month Agent shall provide Owner with a statement of disbursements and receipts from the operation of the premises.

b. **OTHER REPORTS**

Agent may prepare for the Owner special requested reports only if both parties mutually agree to the terms including additional fees.

**8. ADVERTISING**

Owner is authorizing Agent to advertise the premises for rent by periodicals, plans, or any other means as Agent may deem necessary. Advertising is performed at the sole discretion of the Agent. The costs of classified advertising and signs shall be paid by the Agent. Advertising costs of the Agent may not exceed 50% of the new tenant fee. Any additional advertising costs that exceed 50% will be considered an expense and deducted from Owner's disbursements. Special advertising requested by the Owner will be paid for in advance by the Owner.

**9. LEASING**

a. **LEASING PREMISES**

Owner is authorizing Agent to negotiate, prepare, and execute leases and renewals. Agent will lease premises and maintain leases in accordance with the Delaware Landlord Tenant Code. Owner shall approve Agent's lease at the commencement of this agreement. Agent shall conduct all inspections including: move-in, move-out and City/County inspections.

b. **SOLE AGENT**

Owner shall agree to use Delaware Premier Property Management as the sole Agent for the premises stated in this agreement. Owner will not authorize or allow any other person or company to act as an Agent for the premises during the duration of this contract.

c. **RENTAL RATES**

Agent is authorized to amend rents either by increasing or decreasing rents to accommodate rental market. Owner authorizes Agent to increase rents up to ten percent (10%) without notifying the Owner. Owner authorizes Agent to decrease rents five percent (5%) without notifying the Owner.

d. **LEASE ENFORCEMENT**

Any and all lease enforcement will be handled through Delaware Premier Realty Property Management.

e. **ACCESS TO PROPERTY**

Owner will provide Agent with keys to all doors and locks. Owner gives Agent permission to place a lockbox on the premises for purposes of maintenance, inspections and any other service deemed necessary in managing the property.

**10. MAINTENANCE AND REPAIR**

a. **EMPLOYEES AND CONTRACTORS**

Owner authorizes Agent to use employees and contractors of Agent's choice for repairs to the premises. Agent will, upon written notice, use the Owners choice of contractors.

b. **EXPENSE**

Owner authorizes Agent to negotiate all repairs pertaining to the premises. Agent will schedule all repair items and will notify Owner only if repair items are to exceed three hundred dollars (\$300.00) per item unless Agent deems repair items to be an emergency to preserve the structure, to keep any further damage to the premises, comply with the Delaware Landlord Tenant Code, avoid termination of utility services, avoid danger to person or life, and to comply with any local, state or federal law. Emergency repairs will be paid for by Owner. If Owner is to schedule repairs on their own (except emergency repairs), Agent must be notified in writing two weeks in advance to schedule repair with tenant(s).

**11. UTILITIES AND SERVICES**

a. **UTILITIES**

Owner authorizes Agent to enter into agreements in Owner's name for all utility services including electric, water, gas, oil, other fuels, and other services that are pertinent to the preservation and operation of the premises. Owner will be responsible to ensure that all utilities are currently paid to date. Owner will be responsible for all utility deposits and must be paid directly to utility providers. Owner will be responsible for all expenses in connection with utility services.

b. **SERVICES**

Owner authorizes Agent to enter into agreements in Owner's name for all maintenance repairs, and other services connected with the premises.

c. **SERVICE CONTRACTS**

Agent encourages Owner to carry service contracts on all heating and air conditioning systems. Owner agrees to provide Agent with their preferred licensed HVAC contractor approved by the Agent, which has twenty four hour service. These expenses will be the responsibility of the Owner.

**12. INSURANCE AND LIABILITY**

Owner must provide Agent with a copy of the insurance for the property and send reoccurring statements to the Agent. Owner must keep insurance premiums paid to date and notify Agent of any changes to the policy. Owner must add Agent to Owners insurance policy as an additionally notified or additionally insured for liability insurance. Owner must provide Agent with a copy of the policy within thirty (30) days of commencement of this agreement. Failure to do so will cause Agent to secure their own liability insurance, and the cost will be paid from the Owner's account.

**13. NOTICES**

Owner will forward to Agent any notices that pertain to the premises including code violations, utility bills, rental permits, etc. Owner is responsible for any charges related to the property including late fees or penalties incurred.

**14. FAIR HOUSING**

Property will be shown, rented and otherwise made available to all persons regardless of race, color, religion, sex, handicap, national origin, or family status, and to any class of person protected by state or federal law.

IN WITNESS WHEREOF, the parties hereto have affixed or caused to be affixed their respective signatures this \_\_\_\_\_ day of \_\_\_\_\_.

Delaware Premier Property Management  
Agent Name

\_\_\_\_\_  
Agent Signature                      Date

\_\_\_\_\_  
Principal Owner's Name      Date

\_\_\_\_\_  
Principle Owner's Signature      Date